#### § 57.3807

(3) The extent of the need of the area to be served by the proposed area health education center.

(b) In determining the funding of applications approved under paragraph (a) of this section, the Secretary will consider any special factors relating to national needs as the Secretary may from time to time announce in the FEDERAL REGISTER.

[48 FR 7446, Feb. 22, 1983, as amended at 53 FR 14792, Apr. 26, 1988]

## § 57.3807 How is the amount of the award determined?

(a) The amount of the award will be based on the Secretary's estimate of the sum necessary for the approved activity.

(b) The Secretary will not provide in any year under this subpart more than 75 percent of the total operating funds of an area health education center program.

#### § 57.3808 How long does support under a cooperative agreement last?

(a) The cooperative agreement will specify the length of time the Secretary intends to support the project without requiring the project to recompete for funds. In addition, the maximum period during which a project may be funded will be specified in each cooperative agreement.

(b) Generally, the project will initially be funded for one year, and subsequent continuation awards will also be for one year at a time. A school which enters into a cooperative agreement must submit a separate application to have the support continued for each subsequent year. Decisions regarding continuation awards and the funding levels of these continuation awards will be made after consideration of such factors as the applicant's progress and management practices, and the availability of funds. In all cases, continuation awards require a determination by the Secretary that continued funding is in the best interest of the Federal Government.

(c) Neither the approval of any application nor the entering into of any cooperative agreement commits or obligates the Federal Government in any way to make any additional, supple-

mental, continuation or other award with respect to any approved application or portion of an approved application

(d) Any balance of federally obligated funds remaining unobligated by the school at the end of a budget period may be carried forward to the next budget period, for use as prescribed by the Secretary, provided a continuation award is made. If at any time during a budget period it becomes apparent to the Secretary that the amount of Federal funds awarded and available to the school for that period, including any unobligated balance carried forward from prior periods, exceeds the school's needs for the period, the Secretary may adjust the amounts awarded by withdrawing the excess. A budget period is an interval of time (usually 12 months) into which the project period is divided for funding and reporting purposes.

### § 57.3809 For what purposes may cooperative agreement funds be spent?

- (a) A school which is awarded a cooperative agreement shall only spend funds it receives under this subpart according to the approved application and budget, the authorizing legislation, terms and conditions of the cooperative agreement award, applicable cost principles specified in subpart Q of 45 CFR part 74, and these regulations.
- (b) The area health education center program must spend at least 75 percent of the funds provided under this subpart in any year in area health education centers.
- (c) Schools which are awarded cooperative agreements may not spend cooperative agreement funds for sectarian instruction or for any religious purpose.

# § 57.3810 How will the Department participate in a cooperative agreement?

The Secretary anticipates substantial Federal involvement in the management of the project supported under the cooperative agreement. This involvement may include, as determined necessary, the following activities, among others: